Ministry of Foreign Affairs

Activity: ADD NIMD support for BLUE DEAL (25-0001077)

Id	25-0001077
Date	25-06-2025
SAP application number	

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Key data

Activity basics

Type	Standard
Short name	ADD NIMD support for BLUE DEAL
Contract party	St. Netherlands Instit. For Multiparty Democracy (nimd) (30011461)
ODA	Yes
Amount EUR	300000
Start date	01-07-2025
End date	30-06-2029
Full name	NIMD Support for stakeholder engagement and activation under the the Water Agreement for the Awash Basin, as developed under the BLUE DEAL in Ethiopia
Summary	The Water Agreement (formerly called the Water Cooperation Framework Agreement or WaCFA) was developed to formalize regional cooperation regarding Water Management in the Awash Basin, between the three regional Water Bureaus of Afar, Oromia and Amhara regions. The Water Agreement is formalized and some meetings have taken place, but not a lot of impact was generated from this agreement. This project is an attempt at engaging and activating all actors and stakeholder by facilitating the dialogue that is needed in order to facilitate successful implementation of the agreement, which will ideally lead to cross-regional investments in water management of the Awash basin.

Activity details

Date of receipt of proposal	09-05-2025
Proposal’s reference number	
Budget holder	Ambassade Addis Abeba (8221ADD)
Limit access	No
Related activity	BRIGHT, BLUE DEAL

Accounting data

SAP application number	
Funds center	ADD ET Integ water managem grants (1702U02030023)

Policy data

Aid modality	Project support
Technical assistance	Between 25% (inclusive) and 50% (exclusive) of the activity budget
Beneficiary location	Country
Country	Ethiopia
Location type	Other
Specific location	Awash Basin
CRS code	14040 River basins' developme
Policy Keywords	
Refugees & host communities	No
Team Europe Initiative	No
Policy Markers	
__Trade & The Economy	Not targeted
_Security & Stability	Significant
Biodiversity	Not targeted
Climate change: adaptation	Not targeted
Climate change: mitigation	Not targeted
Desertification	Not targeted
Equality between men & women	Significant
Migration	Not targeted
Integrated water management	Principal
Explain your choices	This project facilitates inter-regional dialogue for better cooperation on water management in the Awash Basin. This will contribute both directly (through better cross-regional understanding) and indirectly (a better managed shared resource) to current and future (water) security in the Awash basin. Integrated Water Management is about managing people, more than it is about managing water.

Policy Appraisal

Policy relevance

- What policy objectives, as set out in the annual plan, policy notes etc., will this activity contribute to?

The Annual Plan for Ethiopia states that "The water team will consolidate the existing portfolio, by activating cross-cooperation between partners, projects and sectors. In the section on integration it further mentions that "the embassy look at how ... cross-cutting issues are being implemented, and what we as donor can do to achieve more on these cross-cutting issues". This project is an example of that ambition.

Rationale

- What issue/problem will be addressed by the activity

The BLUE DEAL Awash Partnership (centrally funded) focuses on improving collaboration between the various water management organisations in the Awash catchment area. This is needed because the river basin partially overlaps 3 big regions that have organised water management through their regional water bureaus, whose mandates conflict with that of the Basin Offices, who are officially mandated for water management in the Basin, but are not as powerful. The Blue Deal project has achieved one of its milestones in the signing of a Water Agreement between the 3 Regional Water Bureaus (Oromia, Amhara and Afar). The implementation of this agreement is not taking off as foreseen.

- Why does the activity help to address the issue/problem?

  For ODA activities over EUR 250.000, please explain the Theory of Change

In explaining the Theory of Change, NIMD mentions the following analysis in the proposal:
"In contexts of conflict and fragility, water crises can easily trigger or escalate tensions. This project aims to enhance resilience and stability by promoting inclusive, democratic water resource governance in Ethiopia's Awash River Basin."
This seems like a reasonable observation. The project proposes multi-stakeholder dialogue sessions as a way to to reinforce accountable and transparent water governance.
The project is guided by the following theory/pathway of change:
" ***If*** stakeholders engaged in water governance within the Awash River Basin are equipped with enhanced capacities in deliberative dialogue, conflict resolution, mediation, knowledge, and collective action—and ***if*** institutionalized, inclusive, safe, trusted and democratic platforms for multi-stakeholder engagement are established or reinforced—***then*** these stakeholders will be better positioned to influence integrated water resources management (IWRM) policy processes. This will strengthen governance outcomes and contribute to socio-ecological resilience and regional stability— because stakeholders will possess the requisite competencies, voice and agency to participate effectively and inclusively in decision-making on critical water governance issues."
Facilitating multi-stakeholder participation to improve water management is a proven approach, even more so: it's the only way.
Although this activity aims at including a wide range of stakeholders, it's primary focus is the signatories of the Water Cooperation Agreement. This activity will facilitate some of the dialogue that is needed to start the implementation of this signed agreement. They will do so by inviting stakeholders and representatives from all 3 Regional Water Bureaus and other relevant organisations and start building understanding, resolving conflicts and installing mutual accountability for this agreement. During the three years that this project will run, NIMD will work together with the existing BLUE DEAL project, to ensure that the Dutch Water Authorities can provide technical backstopping for this initiative.
The relevant stakeholders will be identified during a three-month inception phase at the start of the project, however, the first workshops are also planned during the first year of implementation. We will therefore regard the first year as a normal implementation year as a whole, and instruct NIMD to report results in their first annual report accordingly.

Contextual analysis

- Who is/are the target group(s) and why?

The main implementers of the Awash Basin Water Agreement are the 3 aforementioned Regional Water Bureaus and the Awash Basin Administration Office. They are signatories of the Water Agreement and are responsible for executing it.

- Who are the other main stakeholders?

Water Users in the Awash Basin, their representatives, the BRIGHT project. The Ministry of Water and Energy.

- To what extent have stakeholders been involved in formulating the proposal?

The Basin Office, The Ministry of Water, WLRC (Water and Land Resource Centre), the coordination Unit for the National IWRM Program of Ethiopia, and representatives of the 3 regional Wtaer Bureaus have all been consulted in preparation of this proposal. Including Dutch Water Authorities, and Woord en Daad, the main implementers of the Blue Deal project in Awash Basin.

- Is the intervention aimed at a specific geographical location, and if so, why?

It is aimed at the Awash River Basin in Ethiopia, because that's what the agreement works on. Meetings will be held in Addis Ababa and regional Capitals of the three regions.

Added value

- What is the added value of the Dutch government being involved in relation to other donors, the EU, NGOs and local authorities?

The Dutch Government has a leading role in Water Management in Ethiopia. Both because of its expertise, as well as because of its volume of funding, dedicated to better water management in Ethiopia. It is also co-chairing the water sector Working group on Water management and has a long track-record of supporting water management in Ethiopia.

- Are the recipients making an own contribution or co-participating in the activity, and if so, to what extent?

The recipients are participating in this activity, and have shown their willingness to do so due to earlier active participation in related activities funded under the BLUE DEAL partnership.

Lessons learned

- What lessons learned (from previous or comparable activities, published evaluations, relevant publications) will be addressed by the activity?

Evaluations on Water management in Ethiopia stress the need for institution building for long term impact and for stronger models of governance for the water sector. This initiative strengthens the governance models for one of the most economically relevant river Basin in Ethiopia.

Durability

- How will the results of the activity be sustained after its end date? What is the exit-strategy?

This agreement will continue to exist. However it's implementation is based upon the involvement of stakeholders and government officials. With this activity we will have a more active user base for this agreement.-

Gender

- Does the proposal include a gender analysis? If yes, what are the main outcomes? If no, why not?

No gender analysis was included, as this activity is modest in size and does not actively seek transformation fo the sector, but more specifically, activation of the sector on a particular subject. The ambition of the embassy is to promote the role of women in decision making position in the water management sector in Ethiopia.

- Does the proposal justify the target group's gender-specific interests and needs (and why)? Please explain.

It does not. For this activity, which mainly includes lobbying existing government officials, gender specific interests were not explicitlty mentioned. The Water Agreement however does detail the role and interests of young women in the Basin.

- Have women and young people been included in the stakeholder analysis? Please explain.

Yes, women in leadership positions in the relevant organisations have been consulted in drafting this proposal.

Climate change

- Does the proposal include an analysis of the possible effects of climate change on the activity or its results?

It does not specifically mention an anlysis, because this is already absorbed in the work of the Blue DEAL project in Awash basin. This project is in support of that larger activity.

- Does the proposal include any interventions to combat these effects (adaptation/mitigation)?

No, see comment above.

Cooperation, harmonisation and alignment

- Does the activity involve cooperation with Dutch organisations, the EU or other donors (including delegated cooperation), local organisations or other parties?

Yes, it involves formal and informal cooperation between the Centrally Funded Blue DEAL programme, it's implementers in Ethiopia (represented by the Dutch Water Authorities) and Ethiopia's government representatives, and the Netherlands Institute for Multiplarty Democracy (NIMD). It's activities are relevant for the work that BRIGHT is doing. BRIGHT is a project funded by the embassy on capacity building for the Basin Offices in Ethiopia. The Basin Office in the Awash Basin being one of them. The BRIGHT project is co-funded by the EU.

- How does the activity contribute to harmonisation and/or multi-donor financing?

It is registered with the National IWRM coordination office and contributes to Ethiopia's National IWRM Programme, that was a product of all sector actors working on water management in Ethiopia.

- What is the degree of (policy and financial) alignment?

There's a complete alignment between this activity, the GoE's ambitions as laid out in the National IWRM Program and additional Dutch Funded activities like the Blue DEAL and BRIGHT.

Digitalisation

- Have proposed digital technologies been developed or chosen in collaboration with end-users?

No. out of scope for this activity,

- Does the proposal include an analysis of the local digital ecosystem?

No, Out of scope.

- Is data security guaranteed?

Not Applicable.

- Are digital solutions locally sustainable/relevant?

Not Applicable

- Is duplication avoided?

Not Applicable.

Additional remarks (if applicable)

Results

Water

3.1. Policy development and diplomatic outreach

Indicators
3.1. What has been achieved by this activity on policy development and diplomatic outreach?
Measurements:

Monitoring and evaluation

Monitoring

- Specify what reporting information is required for this activity, based on the activity analysis decision tree (see Help).

Annual narrative and financial reporting is required for this activity. The Inception phase will be regarded as part of the activities reported on in the first annual report.
Reporting will be done according to the Ethiopian Fiscal Year.
No audits are required as the budget is less than EUR 5 mln.
The project aims to contrbute to:
A more resilient and stable society through inclusive and democratic water resource governance in the Awash River Basin.
This overall impact will be achieved through two main intermediate outcomes defined as follows:
Outcome 1: Integrated water management stakeholders in the Awash River Basin have scaled and enhanced technical knowledge on key water governance themes
Outcome 2: Water stakeholders in the Awash River Basin have influenced integrated water governance policies through meaningful, structured, inclusive and democratic multi-stakeholder dialogues
Annual reporting should include tracking progress against those objectives.
Iati reporting will be required.
The Embassy is responsible for conducting field visits or attending project meetings, to get a sense of actual progress, to triangulate reporting.
NIMD will initiate at least 1 formal progress meeting per year and facilitate access for the Embassy team to attend project workshops.

Evaluation

Given the limited budget, no evaluation is needed. The proposal provides for a project assessment paper based on an assessment by NIMD and DWA of the project outcomes and overall impact. Following this, NIMD has committed itself in the proposal to organize a project assessment workshop to review the findings with the aim of sharing insights and lessons learnt with all project stakeholders.

Finance

Budget breakdown

- Include an overview of the activity budget, including overhead costs.

Description	Unit cost		Total Budget	
	Unit	EUR	Units	Total EUR
1. Human resources				
1.1 Salaries (gross amounts, local staff)				
1.1.1.a Country Director (5%)	Per month	7.864	36	14.155
1.1.1.b Program Manager (50%)	Per month	3.467	36	62.406
1.1.2.a Finance Officer (50%)	Per month	1.540	36	27.720
1.1.2.b Office Assistant (50%)	Per month	374	36	6.732
Sub total				111.013
3.1 Office rent (30% contribution)	Per month	1.009	36	10.893
3.2 Consumables - office supplies	Per month	300	36	3.240
3.3 Other services (tel/fax, electricity/heating, maintenance, security..)	Per month	300	36	3.240
Total office running costs				17.373
Total				128.386

Year - 1				
4.2.1 Training on Dialogue and conflict resolution, and technical workshop on water issues	Per training		1	15.807
4.2.1.1 Stakeholders analysis and agenda setting DWA and also 2 days a per year for a project focal person from DWA	Per activity		1	9.600
Sub total				25.407
Year - 2				
4.2.2 Training on Policy making and Analysis on Water Issues	Per training		1	20.832
4.2.3 Facilitated Dialogue	Per training		1	18.409
Sub total				39.240
Year - 3				
4.2.4 Facilitated Dialogue	Per meeting		1	22.599
4.2.5 Experience sharing workshop	Per meeting		1	28.049
4.2.6 Assessment research and evaluation workshop	Per meeting		1	31.549
Sub total				82.196
Subtotal HR and office costs				128.386
Subtotal activity costs				146.843
Indirect cost (9%)				24.771
Total cost				300.000

- Is the budget arithmetically correct?

Yes.

- Are the amounts/rates in the budget acceptable?

Yes.

- Briefly explain the structure of the budget.

Staff salaries and office costs make up for over 1 third of the budget. This is because this is one of their few projects and they use this project to finance 50% of their overhead capacity. The majority of the budget still goes to activity implementation and indirect costs. Indirect costs are used for financial oversight and quality control from HQ.

- Are overheads proportional to outputs? What is included? What is recharged?

In this case, the staff salary costs are almost equal to the activity costs, however, especially the program manager is responsible for training and facilitating the workshops, and can be regarded as part of the acitivity budget.

- Is implementation conditional on the budget being amended in an inception phase? (Specify the requirements that the budget must satisfy and the date by which the budget must be amended)

No, not applicable.

Earmarking

- Is the Dutch contribution to the programme earmarked (i.e. reserved for a specific purpose)? If so, specify the reasons why.

Not applicable.

Prepayments

- Based on the prepayment decision tree (see Help), do the payments need to be entered as prepayments and why? In the case of a lump sum, assess this against the applicable criteria and give the reasons for your choice.
- What is the maximum percentage that can be paid as prepayment, and why?
- Which are the reporting obligations on the basis of which prepayments can be closed?

Payments are prepayments and will be paid up to a maximum of 95% of the total amount, i.e. EUR 285.000. The final 5%, being EUR 15,000, will be paid after receipt, assessment and approval of the final reports. Prepayments can be approved in impact after receipt, assessment and approval of the annual reports, and can be closed only after approval of the final reports.

Available resources

	Foreign currency	**EUR**
Implementing organisation's own contribution	0	
Firm commitments by other donors (for each donor)	0	
Dutch contribution		300,000
Total available resources		300,000
Budget needed		300,000
Still to be financed		0
Soft commitments by other donors (for each donor)		0
Uncovered balance		0

- Are there any non-financial contributions relevant to implementation of the activity, such as deployment of volunteers, availability of buildings, materials, etc.?
- If there is an uncovered balance, how will this affect implementation of the activity (e.g. proportional reduction in outputs, omission of regions) and how will this affect the decision whether to fund this activity?

Not applicable, the activity is funded entirely by the EKN contribution.

Grant with a repayment obligation, loans, equity investment or guarantee

- Does the Dutch contribution take the form of a grant with a repayment obligation, a loan, an equity investment or a guarantee (either in whole or in part)? If yes, briefly set out the consequences for accounting and how correct processing in the financial records will be ensured.
- Are there revolving funds? If yes, please explain what will happen to any residual funds, how closure will take place and which agreements should be made.

Not applicable.

Audit opinions

- Is an audit opinion required for the activity (see Help)? Briefly explain.

No, since this budget doesn't pass the threshold no audit is required.

- Should the audit opinion be accompanied by an additional auditor's report (for example, on the risks set out above, or on monitoring that the organisation carries out on its prepayments to other organisations)?

NA.